

June 23, 2021

Crystal Ault
SOTHEBY'S INTERNATIONAL REALTY
434 N. Higgins Ave.
Missoula, MT 59802

Re: Summary Sellers' Disclosures – 4045 Fox Farm Road, Missoula
Owners: Matthew Cole & Tiffany Perkins

Dear Crystal,

As you know, this office represented Matthew Cole and Tiffany Perkins regarding claims associated with the construction work performed at 4045 Fox Farm Road in Missoula. Please provide this summary disclosure correspondence to all potential purchasers and their representatives and secure all acknowledgments/certifications as outlined herein.

Preliminary Statement Re: Unfinished Property
Condition & Assumption of Risk

This home is in an unfinished state and contains numerous construction defects that must be addressed. Before entry onto the premises, all visitors must be provided with this disclosure correspondence and its attachments and sign a written acknowledgment indicating that they have carefully reviewed the information provided. Visitors must also acknowledge that:

- (1) the home contains construction defects and is not code compliant;
- (2) the home is in an unfinished state and lacks stairways from the main floor to the basement and upstairs, railings, and other safeguards typically seen in ongoing or completed residential construction projects;
- (3) the home and surrounding property should not be presumed safe and require that utmost care be exercised while on site;
- (4) there are no warranties or guarantees regarding property condition

or visitor safety; and (5) they are assuming all risk of injury while at the property.

I will provide the foregoing acknowledgment under separate cover. Please secure signatures on the acknowledgment from all visitors to the property prior to their visits. Site visits from individuals having not provided a signed acknowledgment are forbidden.

Summary Disclosure Statement Re: Defects & Related Litigation

A. This Property Is Sold “As Is,” Without Warranties, and Must Be Independently Inspected & Analyzed by Any Purchaser.

This property is being sold “as is” and without warranties or guarantees regarding its past, present, or future condition. The information contained in this disclosure correspondence is provided in summary form and designed only to generally orient potential purchasers regarding property history. It is neither technical nor exhaustive. It is provided for background information purposes only and neither it, nor its attachments, should be used as a substitute for independent professional inspections and advice. Further, nothing in this disclosure, nor any of the attachments to it, should be relied upon as providing exhaustive, completely accurate, or up-to-date information. This is particularly true considering the passage of time, potential changes in property condition, and that professional opinions can vary widely. Attachments are not the complete files of the individuals or entities that produced them.

B. General Background Information Regarding the 4045 Fox Farm Property.

Mr. Cole and Ms. Perkins purchased an existing home at 4045 Fox Farm Road with the intention of remodeling and expanding the structure. They hired Threshold Contracting as general contractor. As the construction process was concluding, a fire occurred in the basement of the property on or about March 5, 2019, when workers failed to appropriately dispose of oil-soaked rags. The fire was contained to a relatively small area of the basement but resulted in, among other things, extensive smoke damage throughout the home. Reporting from the Missoula Fire Department is provided herewith.

The extensive damage caused by the fire required that various building components, including drywall, wiring, and other materials, be removed from the structure. Mold was also found. The mitigation/remediation was conducted by Dayspring Restoration. Some estimates, invoicing, work logs, and correspondence from Dayspring Restoration are provided herewith.

The removal of materials during the post-fire process revealed a number of construction defects. Some of these defects are identified within the report from John Bateman of Bateman Construction in Missoula, provided herewith. Structural defects include out-of-plumb foundation walls, voids within the foundation walls, and improper sill plates. Some of these structural issues are discussed and analyzed within the report from professional engineer Jesse Fortune, provided herewith.

Because of the fire and subsequent discovery of defects, Mr. Cole and Ms. Perkins never took occupancy of the home and have not resided on the property. They are not in a position to make disclosures beyond the summary information provided in this correspondence.

C. Litigation History.

Mr. Cole and Ms. Perkins filed suit against Threshold Contracting and its principal, Winston Davenport. The case was filed in the Fourth Judicial District Court, Missoula County (Cause No. DV-19-1079). A copy of their Second Amended Complaint is provided herewith. The case ultimately settled confidentially.

All materials filed with the court in Cause No. DV-19-1079 can be viewed by contacting the Missoula County Clerk of Court. I represented Mr. Cole and Ms. Perkins and my contact information can be found on this correspondence. Buyers are welcome to contact me or my office to review any portion of my files not subject to confidentiality or the attorney-client privilege, including discovery requests/responses, discovery attachments, expert reports, and other information.

D. No Representations Regarding Fix/Repair Options.

The property has not been repaired. No representations or warranties are made regarding the ability to fix the home, associated costs, or whether it would be more

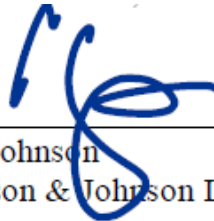
cost-effective to attempt to deconstruct and start over. All of these issues must be independently investigated and analyzed by potential buyers. Whether and to what extent public building authorities will allow, or provide permits for, the various potential solutions for the property must be investigated and analyzed by potential buyers. This includes not only construction-related issues, but current and prospective setback, riparian, and vegetation issues related to Rattlesnake Creek and the home's proximity to it. A copy of a former 310 Permit Application Supplement is provided herewith. Buyers may not rely upon Mr. Cole and Ms. Perkins' prior applications or communications with permitting or authorizing entities – including those with building departments or conservation districts – and must conduct their own investigation into these issues. Buyers should not presume that any aspect of the property is satisfactory simply because it was previously allowed or approved by building departments, conservation districts, or other entities.

E. Certifications Within Offers to Purchase

All buy-sell offers to purchase the subject property must contain a certification that: (1) the buyers and their real estate professionals closely reviewed this disclosure correspondence and its attachments, and are fully aware of the content of the materials provided; (2) the buyers and their professionals relied upon this disclosure correspondence and its attachments for general background information purposes only, and that their offer to purchase is made entirely upon on their own independent investigation and analysis; (3) and the purchase is made on an as-is basis, without warranties or representations regarding property condition, future use or costs, code/ordinance/regulatory compliance, or what can or will occur to the property following sale.

Thank you. Any questions, please contact me.

Sincerely,



C.J. Johnson
Johnson & Johnson Law, PLLC

Attachments: As stated